GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA

UNSTARRED QUESTION NO:3753
ANSWERED ON:10.09.2007
VIOLATION OF RULES BY PRIVATE COMPANIES
Mehta Shri Bhubneshwar Prasad

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether the Government has no control over private mobile phone companies and these companies are getting licences renewed and other tax rebates inspite of fines imposed on them;

(b) if so, whether these companies are violating security rules and committing gross revenue irregularities;

(c) if so, the details thereof;

(d) the names of the private mobile phone companies, Internet Service Providers (ISPs) alongwith the amount of penalty imposed on them for violating the rules;

(e) the number of times the number of private mobile companies having shares in the Government exchequer has increased during April 1, 2004 to June 30, 2007, giving Name- wise and Serial-wise details thereof;

(f) whether the Government proposes to include the condition of audit by Auditor- General in the licence conditions; and

(g) if not, the reasons therefor?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SHAKEEL AHMAD)

(a) No, Sir.

(b) to (d) In the course of offering services by private mobile phone companies, there has been instances of violation of terms and conditions of the licence agreement including security conditions and other irregularities. Whenever such violations are noticed/ reported, show cause notice is issued after following the due procedure as per the provisions of the respective licence agreement. Based on the nature of violation and the reply to the show cause notice, action is taken against the licensees as per the provision in the licence agreement which include imposing financial penalties.

The names of the private mobile phone companies, Internet Service Providers (ISPs) alongwith the amount of penalty imposed on them for violating the conditions of the licence are given in the Annexure -I.

(e) The details of access telecom services licensee private companies who are to pay licence fee to Government as Revenue Share, company wise and service area wise, as on 01.04.2004 and 30.06.2007 are given in the Annexure-II.

(f) & (g) There are provision for audit by Comptroller and Auditor General of India (CAG) in Rule 5 of the Telecom Regulatory Authority of India, Service Providers (Maintenance of Books of Accounts and other Documents) Rules, 2002 and CAG has performed such audit in some cases.